



## PRESS RELEASE

### INTERNATIONAL TRANSPORTATION SERVICE AND SOUND ENERGY SOLUTIONS AGREED TO LNG YARD HOSTLER DEMONSTRATION PROJECT

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**PORT OF LONG BEACH, October 18, 2007** - Sound Energy Solutions (SES) continues to develop additional low-emission Liquefied Natural Gas (LNG) yard hostler projects in the San Pedro Bay Ports. On October 16, 2007, SES and International Transportation Service, Inc. (ITS) signed a Letter of Intent to jointly develop a one-year demonstration project to test the operations of three LNG-powered yard hostlers at the ITS container terminal in the Port of Long Beach.

Long Beach-based SES, a wholly owned subsidiary of Mitsubishi Corporation in Japan, is in the process of permitting an LNG receiving terminal in the Port of Long Beach. As part of its project and commitment to the region, SES has been actively promoting the use of low-emission LNG yard hostlers in the Ports of Long Beach and Los Angeles and in intermodal rail yards since 2005. This new demonstration project with ITS is the fourth project that SES has worked to develop. Other projects have already been implemented with Yusen Terminals Inc. in the Port of Los Angeles, Long Beach Container Terminal in the Port of Long Beach, and BNSF Railway in the City of Commerce.



Currently, there are approximately 3,000 heavy-duty LNG-powered trucks, buses, and vehicles operating throughout California and other parts of the nation. LNG engines produce 93% lower nitrogen oxide (NOx) and particulate matter (PM) emissions, 100 percent less sulfur dioxide (SOx) emissions, and 20% fewer greenhouse gas emissions than their traditional diesel counterparts. SES estimates that if all of the estimated 1,500 yard hostlers now operating in the Ports of Long Beach and Los Angeles were replaced with LNG-powered units, the annual emission reduction within the local community would be nearly 1,900 tons of NOx and PM combined and an annual reduction of over 11,000 tons of greenhouse gas emissions.

In November 2006, the Ports of Long Beach and Los Angeles jointly adopted the San Pedro Bay Clean Air Action Plan (CAAP). The CAAP proposes that NOx emissions in the harbor be reduced by more than 45 percent and PM emissions by more than 50 percent by 2012. To achieve this important goal, the CAAP will require that cargo-handling equipment and on-road port drayage trucks be replaced by lower-emission technologies, including LNG yard hostlers and over 5,000 LNG Class 8 trucks.

“In the coming years, SES is confident that its proposed LNG terminal can play an increasing role in the continued supply of reliable, safe and cost-effective LNG to the regional market for clean fuel for heavy-duty transportation. SES is proud to be a community partner in the region’s efforts to clean the air,” said Thomas E. Giles, President and CEO of SES.

ITS, a wholly owned subsidiary of “K” Line in Japan, has been operating its container terminal in the Port of Long Beach since 1971. Last year, ITS, together with “K” Line, signed a historic “Green” lease agreement with the Port of Long Beach that will transform one of Long Beach’s largest container terminals into the most environmentally friendly facility at the port. Through this new 20-year lease, the Port of Long Beach, ITS and “K” Line will jointly tackle emissions to reduce air pollutants and will work aggressively toward a goal of achieving a perfect balance between environmental improvement initiatives and the development of the economy in the Port. This LNG yard hostler demonstration project is another example of ITS and “K” Line’s commitment to contribute to environmental preservation.

“We highly appreciate SES’s support to develop this demonstration project,” said Fumito

Kawamata, President of ITS. “SES has developed a number of similar projects in the past, and their expertise and experience is valuable for us to move forward with this project. We hope our joint efforts will lead to bringing cleaner air and energy to our community.”

“We are pleased to lend our expertise to help make this project a success,” commented Giles. “Working together with other businesses in the Ports to make alternative fuels and cleaner air a standard in the community is one of the many commitments SES has made as part of its project development efforts. We are working to bring clean, safe and affordable natural gas to Long Beach and cleaner air to our community.”

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